

TECHNICAL STUDY
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**Social Change in Brazil: a descriptive
panorama from 1992 to 2014 based on
different indicators**

MDS

SAGI

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Technical Study

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Social Change in Brazil: a descriptive panorama from 1992 to 2014 based on different indicators

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The main target public for the Studies are the technicians and managers of MDS policies and programs in the Federal, state and municipal spheres. From this perspective, these are technical-scientific texts applied with scope and dimensions adequate for their assimilation into the Cycle of Policies, characterized by the objectivity, specific focus and timeliness of their production.

In the future, they may be turned into articles for publication in the Study Notebooks (Cadernos de Estudos), the Brazilian Journal for Monitoring and Evaluation (Revista Brasileira de Monitoramento e Avaliação - RBMA) or another technical-scientific journal, in order to reach a broader public.

Keywords: *social change; social indicators; poverty.*

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PRESENTATION

This technical study, the hundredth since the creation of this editorial line in 2011, introduces a set of indicators which seek to portray social changes which Brazil has been going through in the last 25 years, more specifically from 1992 to 2014. There are presented, successively, indicators of monetary poverty, multidimensional poverty, inequality and social structure (expressed through the structure by income range, educational profile, socio-occupational scale and access to services and goods). The objective of the study is, above all, to present a descriptive panorama of these social transformations, leaving to other studies and texts the analyses which will coordinate these changes with social policies, decisions of economic policy, demographical dynamics and socio-cultural changes in the Brazilian population.

1. Introduction

Brazil has gone through significant social transformations since the promulgation of the 1988 Constitution, particularly in the last 13 years, as corroborated by various researches supported by social indicators and reports in qualitative researches, and as is indicated in several international reports. To cite the latter, supposedly less committed to the governmental agenda of recent years and more exempt from the political disputes that were then taking place in the country, Brazil and its social policies have been considered as a reference model to be considered by other countries in the promotion of inclusive social development and in the fight against hunger, poverty, inequality and deprivation of social rights. Having as reference a longer period of analysis, of two or three decades, and the various world continental contexts, publications and events of UNDP, FAO, ECLAC, ILO, UNICEF and the World Bank have highlighted various aspects of social change in the country, relating them to the virtuous blend of universal policies in Health and Education and programs with a redistributive role such as Family Grant, Food Purchase and more recently, the National Program for Access to Technical Training and Employment, among others.

Brazil is also recognized for possessing an extensive and technically robust Statistical System, incorporating a wide range of studies, which deal with themes that remain uninvestigated even in some developed countries, such as Child Labor, Food Insecurity and Productive Inclusion. New social themes have been investigated in IBGE (Brazilian Institute of Geography and Statistics) studies, which have contributed to the improvement of diagnostics and the evaluation of social policies and programs. The Unified Registry is another internationally recognized reference as a

social policy tool, for the diagnosis and identification of target populations and the monitoring of social program goals agreed upon by subnational entities. Brazil is undoubtedly a good example of how the Social Protection System has driven the development of the Statistical System, and of how the latter has contributed to the creation and improvement of social programs.

By using social indicators constructed on the basis of research information from this System, particularly those of the National Household Sample Survey, this technical study – the **hundredth** of this editorial line started in 2011 – presents a descriptive panorama of these social transformations in the country in the last 25 years, more precisely between 1992 and 2014. For this purpose, the study brings together indicators expressed in a longitudinal perspective, through unidirectional or multidimensional measures, dealing with the themes of monetary poverty, multidimensional poverty, structure of income classes, educational classifications, economic activity, socio-occupational structure, access to essential urban services and possession of durable goods. Some of the indicators presented here were already presented in other technical studies (ETECs) and researches of the Secretariat in recent years, available on the SAGI website (www.mds.gov.br/sagi); others will be discussion themes in 2016.

The objective of this technical study is, above all, to present a descriptive panorama of these social transformations rather than develop a deep analysis of the connection of these with social policies, economic policy decisions, demographic dynamics and socio-cultural changes in the Brazilian population, which will be themes of future editions of research and study for the secretariat in the next few years.

2. Social changes from 1992 to 2014: the effects of social investment from 13% to 25% of the Gross Domestic Product

The political tension that is typical of a country in the process of democratic consolidation; the disputes between segments of the population regarding the distribution of wealth, which are inevitable given the grave picture of social inequality that still exists; the persistence, even in 2015, of electoral conflict, following the most recent presidential election – something which is less justifiable than the first two issues, it should be mentioned – have relegated to second, if not third or fourth place – a broader evaluation of the picture of social transformation that Brazil has experienced in recent decades. This raises the issue of whether the increase of social investment from 13% of GDP in the 1980s to the 25% reached in 2012–2013 would not have been

economically unviable for Brazil without prior analysis of the resulting social legacy first being carried out, along with an evaluation of the set of political decisions responsible for such an increase in resources, and for putting them into practice in the form of public programs and services.

These changes are still a little far from the historical perspective for their intensity to be recognized and still too “hot” for present political passions not to take them, on one side, in an uplifting way, or, on the other side, in a very critical way, delegitimizing their concrete effects. There is no way to not recognize, however, what various multilateral organizations have pointed out about the recent Brazilian experience in the field of social policies, even those with which the government has had ongoing critical dialogue, such as UNDP, due to the HDI, which obstructs the revealing of the effects of these policies in an integrated way, due to deficiencies in its design as a social indicator¹.

In the last issues of the Human Development Report, Brazil and the social policies implemented here are recurring references. In 2011, the Report dealt with “Sustainability and equity: a better future for all”, demonstrating how sustainability is inseparably connected to equity – to impartiality and social justice and to greater access to a better quality of life. In this report, Brazil is cited as one of the countries which managed to combine economic growth, social development policies and strategies for mitigating environmental damage. The 2012/2013 Report, entitled “The Ascension of the South: Human Progress in a Very Diversified World”, sought to acknowledge the wide progress registered in the human development of various developing countries and the need for more representative structures of international governance which express the principles of democracy and equity. Here, Brazil also appears as one of the countries in which material progress and access to public policies occurred in the context of consolidating democratic institutions.

In 2014, with the title “Sustaining Human Progress: Reduction of Vulnerability and the Construction of Resilience”, the Report advocated for the need for the construction of a strong and universal social protection system, to guarantee everyone access to education, health and other basic services, as well as to guarantee full employment. This is the UNDP report with the greatest number of meritorious entries for Brazilian social policies, of the design, coverage and scope of these, as revealed by the citations enumerated below:

- ✓ The adoption of **policies directed to the overcoming of poverty**. (p.102)

¹ See, in this respect, JANNUZZI, BARRETO and SOUSA. Monitoramento e Avaliação do Desenvolvimento Humano: a insensibilidade do Índice de Desenvolvimento Humano às políticas de desenvolvimento social (Monitoring and Evaluation of the Human Development: the insensibility of the Human Development Index to social development policies). **Revista Brasileira de Monitoramento e Avaliação**, Brasília, n.5, p.60-79, 2013.

- ✓ Response to the 2008 crisis: the **minimum salary enhancement policy** mitigated effects and contributed to the increase of salaries and income distribution. (p.95)
- ✓ **Rise in the employment rate along with the reduction of informality.** (p.68)
- ✓ Virtuous combination of **short and long term public policies** by means of the conditional transferences of the **Family Grant**, advancing the **educational** and **health** situation, especially for **the youngest**, and contributing to the increased **resilience of the people and economy.** (p.83, 85, 99)
- ✓ **Institutional design** which maximizes results from the Family Grant. (p.88)
- ✓ **Increase in consumption by the poorest.** (p.39 e 41)
- ✓ Adoption of **affirmative action policies** (p.103)
- ✓ **Collective action and political engagement at the local level** (p.105-106)

What the Reports of the UNDP and other institutions – also national – register is part of the institutional engineering – and of the effects – of a wider effort to construct and consolidate Public Policies. This concerns the inclusive Brazilian development strategy, constructed by the three federative entities, in which economic policy decisions favoring the development of the internal market (through real increase in the minimum salary, the stimulation and formalization of employment, and access to credit, among others) are combined with a political commitment to enhancing the scope and scale of social policies, coordinating programs of a universal nature with the creation of redistributive, affirmative and compensatory policies (especially those operated by MDS).

As the presented graphs reveal – from 1 to 13, attached – the trajectory of the indicators is not “the work of chance”, from the inertial extrapolation of existing tendencies, from an automatic logic of transforming budgetary resources into products, services and benefits, nor much less from the invisible hand of the market guided – momentarily – by ethical and virtuous principles which seek equity and social progress. The change illustrated by the graphs – registered in Framework 1 – was not produced in a vacuum, but occurred through strengthening of the capacity for governance, formulation and evaluation of public policies in the three spheres of the government.

Notwithstanding the social advances presented here, there is certainly still much to go through and many inequities to overcome in face of the Social Contract instituted by the Constitution of 1988

and other statutes promulgated since then. More resources will be needed, following the path of many developed countries which take the route of building a more comprehensive and solidaric Social Protection System. Constant innovation will also be needed in the management of public policies in the next few years. Among the innovations required are information and studies for the guidance of public policies.

Framework 1 – Wider social tendencies pointed out by the Social Indicators

- Extreme poverty and monetary poverty – respectively defined from the line of 70 and 140 Reais in June 2011 – presented a strong inflection between 1993 and 1995 and afterwards, in a systematic way, from 2003 to 2014;
- Extreme poverty went from the 13.5% level in 1992 to 2.5% in 2014;
- In the same sources, monetary poverty decreased from 31% to 7%;
- The Hiatus and Severity of extreme poverty and poverty equally declined in that period, reaching around 1% in 2014;
- In quantitative terms, the contingent of persons in extreme poverty went from 19.6 million to 5.1 million in the period, with intense decreases between 2002 and 2009 (40%) and 2009 to 2014 (33%);
- The contingent of poor people went from 45.2 million to 15.1 million between 1992 to 2014, with equally expressive drops between 2002 and 2009 (40%) and 2009-2014 (40%), very differing economic contexts, it is worth mentioning;
- Considering an indicator of chronic multidimensional poverty – the combination of low income, below 140 Reais, and the lack of 4 or more urban services or durable goods (see Etec 06-2015) – the evolution is even more expressive, since the level went from 19.5% (27 million) in 1992 to 1% (2.1 million) in 2014;
- Analysis of the quantitative evolution of the remaining types of multidimensional poverty reveals systematic and accentuated inflection in the year 2000, which persisted even after 2009;
- Inequality of household income per capita, measured by the Gini Index, went from a level of 0.605 in 1993, falling to 0.593 in 2001 and since then, in a systematic way, to 0.516 in 2014;
- The social changes revealed according to analogical indicators (relative to the structure of income classes, educational profile, occupation and home attributes) illustrate wider transformations in Brazilian society, going beyond monetary and multidimensional poverty;
- The structure of the population by income per capita classes shows a significant contraction at the base, of lowest income, and the widening of the middle and high segments between 1992 and 2014;
- The educational pyramid underwent even more expressive changes, inverting itself in this period;
- The occupational profile – revealed by the categories of formal-informal occupation or socio-occupational strata – reveals a similar change, evidencing structural changes in the Brazilian employment market;
- Access to essential urban services – water, sanitation, energy and garbage collection – and the possession of durable goods, also reveal expressive changes between 1992 and 2014.

3. To serve as a conclusion: new indicators to gauge effects – and non-effects – of social policies

At the same time as the indicators presented here reveal the potential of the National Household Sample Survey to illustrate the degree of social change in the country, they also demonstrate the necessity of social analyses and reports based on other social metrics, which are more sensitive to the stage of development of the country and the organizational level of the existing social policies system.

The intensity of social changes is presenting additional challenges to the classic indicators and metrics utilized to monitor them. The measurements of Inequality, Multidimensional Poverty and Monetary Poverty require improvement of existing social indicators and even the proposal of indicators that overcome, on one side, the limitations of the data sources, and on the other, the insensitivity of some of the existing proposals to gauging the effects of the social policies implemented in the country. On one side, the advances against hunger, poverty and inequality have been so significant that the existing metrics need to undergo improvements; on the other, the policies created to mitigate the determiners of these iniquities have envisaged so many intervention strategies that the traditional social indicators are not sufficient or sensitive enough to measure the advances.

If the HDI, the Gini Income Index, and the Poverty Rate do not undergo methodological and/or conceptual improvements, they will no longer be suitable for the role of establishing the size of target populations or identifying the existing gravity of social inequality in Brazil. It is not possible to measure the advancements and effects of Government policies using the HDI without the incorporation of new dimensions which reflect the more direct effects of its policies in the fight against poverty; with a Gini Index which does not incorporate goods and public services which reflect indirect effects on income through the availability of home ownership via *Minha Casa Minha Vida* (My House, My Life) or access to Technical and Higher Education through the ProUni or Public University systems; or with Poverty Rates which do not consider the problems of measuring income through home surveys and do not incorporate some type of technical improvement to attribute a “fake zero income” or “no declaration of income”, in order to correct the under-registration of families which receive governmental transferences.

These have been the motivations of four workshops carried out by SAGI since August 2014, with the participation of technicians of the MDS and various research institutions and multilateral organizations such as IBGE, IPEA, CEPAL, Brazilian Universities, DIEESE, FGV and the World

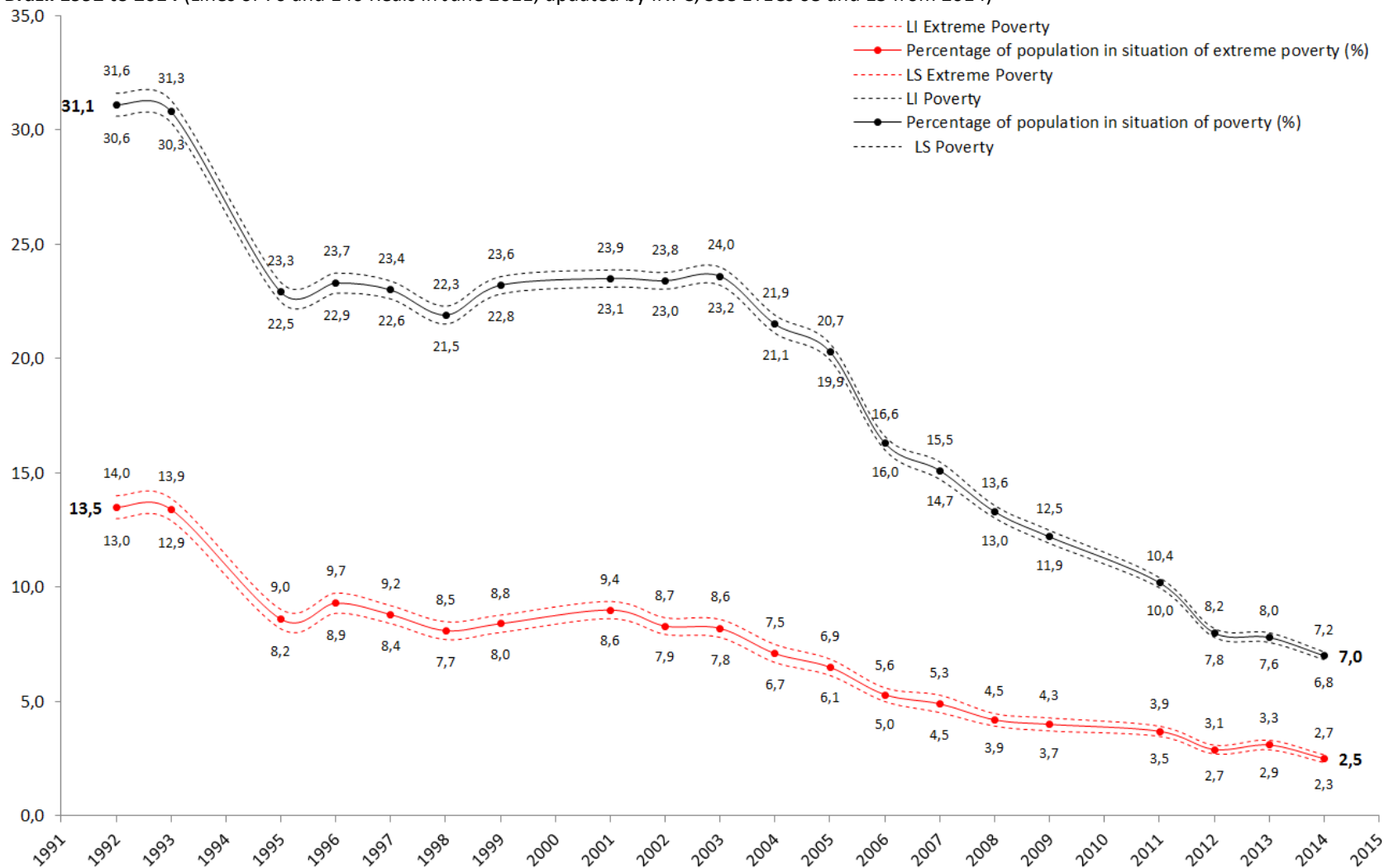
Bank. These workshops have enabled a rich and plural technical environment to discuss methodological and substantive aspects surrounding indicators and measures that may encapsulate the intensity of social changes that have been occurring in Brazil in the last few years, as is highlighted by the themes dealt with: in August 2014, in Rio de Janeiro, the Technical Workshop “*Dimensionamento e caracterização da pobreza no contexto de sua superação: os limites dos indicadores clássicos e as novas propostas metodológicas*” (“Measurement and characterization of poverty in the context of its overcoming: the limits of the classic indicators and the new methodological proposals”); in November, also in Rio de Janeiro, the Seminar “*Registros administrativos e pesquisas amostrais no monitoramento e avaliação de políticas sociais e de superação da pobreza*” (“Administrative registries and sample researches in the monitoring and evaluation of social policies and for overcoming poverty”); in August 2015, in Brasília, the Technical Workshop “*Pobreza Multidimensional: em busca de convergências conceituais e metodológicas para construção de Indicadores de Políticas de Combate Superação da Pobreza*” (“Multidimensional Poverty: in search of conceptual and methodological convergences for the construction of Policy Indicators for the Fight to Overcome Poverty”); and in December; also in Brasília, the Technical Workshop “*Pobreza e Desigualdade no Brasil: indicadores e tendências de 1992 a 2014*”² (“Poverty and Inequality in Brazil: indicators and tendencies from 1992 to 2014”).

To improve social indicators that already exist, producing other metrics that are more sensitive to implemented policies and programs, is one of the challenges for SAGI and other institutions operating in the field of creating and evaluating public policies in the next few years.

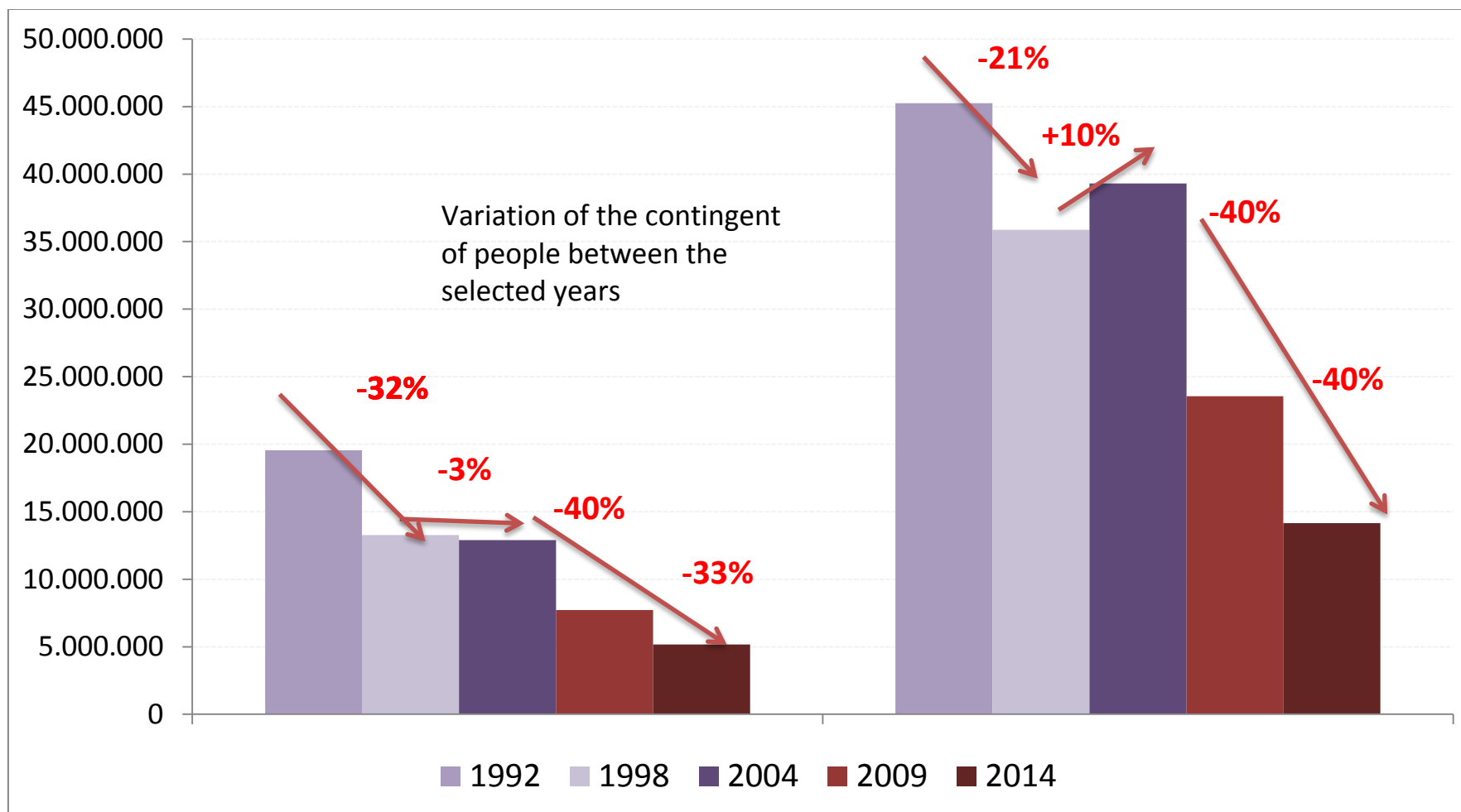
² Visit the website www.wwp.org.br for news concerning these events.

1. Evolution of Extreme Poverty and Poverty (%), with limits of the Confidence Intervals at 95%

Brazil 1992 to 2014 (Lines of 70 and 140 Reais in June 2011, updated by INPC, See ETECs 08 and 15 from 2014)

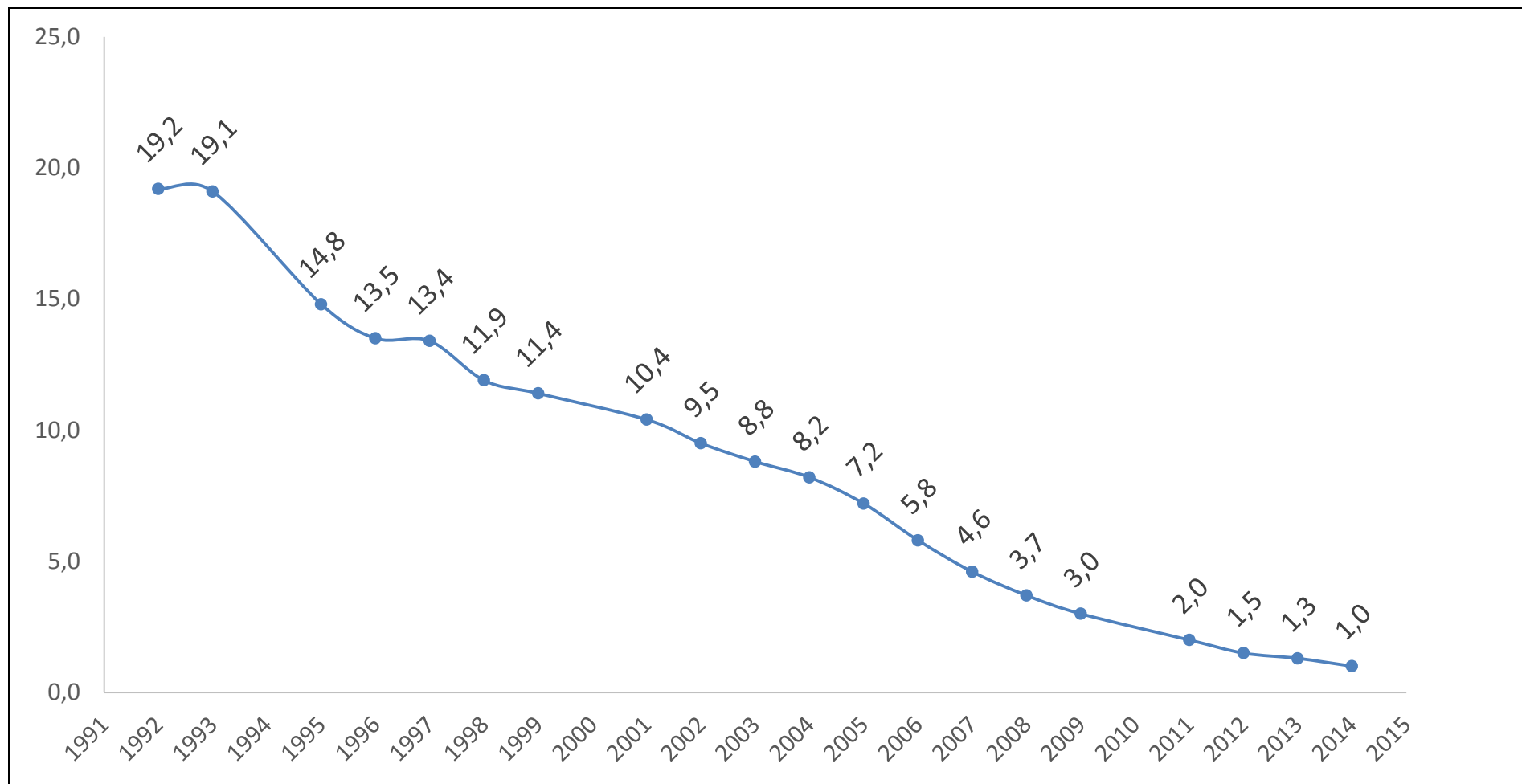


2. Evolution of the Contingent of People in Extreme Poverty and Poverty and the relative variation in selected years
Brazil 1992 to 2014 (Lines of 70 and 140 Reais in June 2011, updated by INPC)

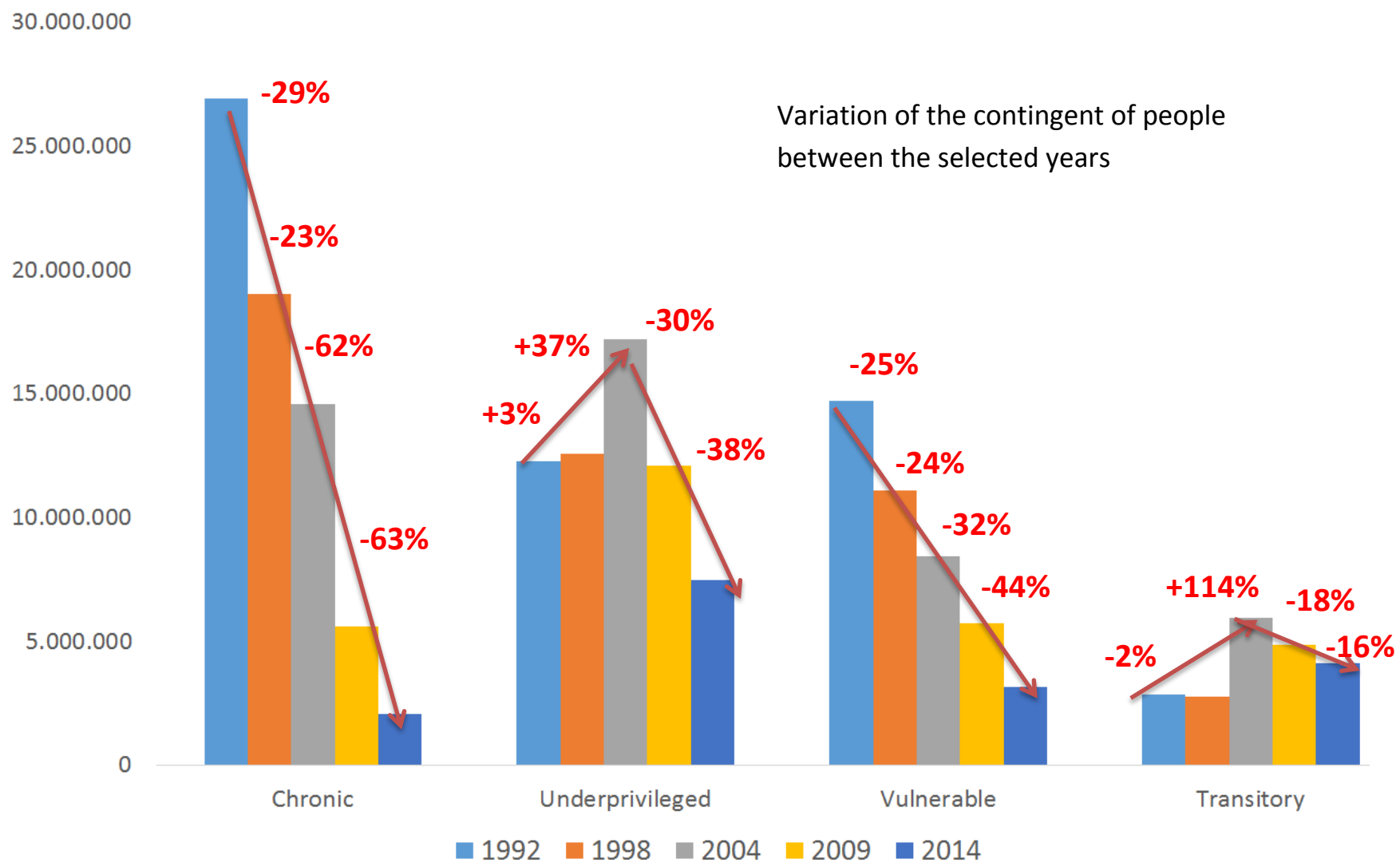


3. Evolution of Multidimensional Chronic Poverty (%) (Proposal of BIRD technicians)

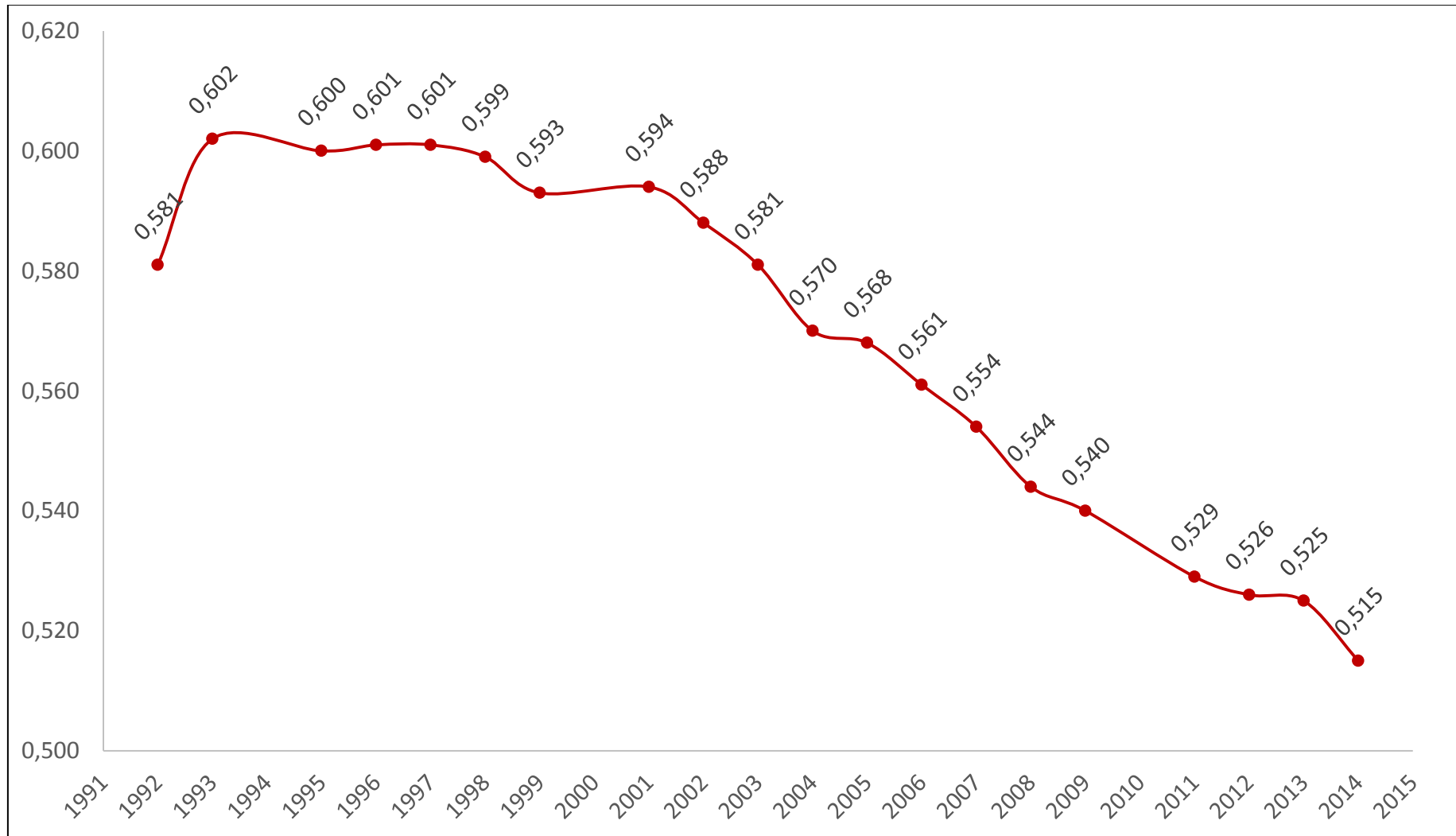
Brazil 1992 to 2014 (See ETECs 01 and 06 from 2015, Caderno de Estudos Desenvolvimento em Debate (Studies Notebook Development in Debate) nº. 21)



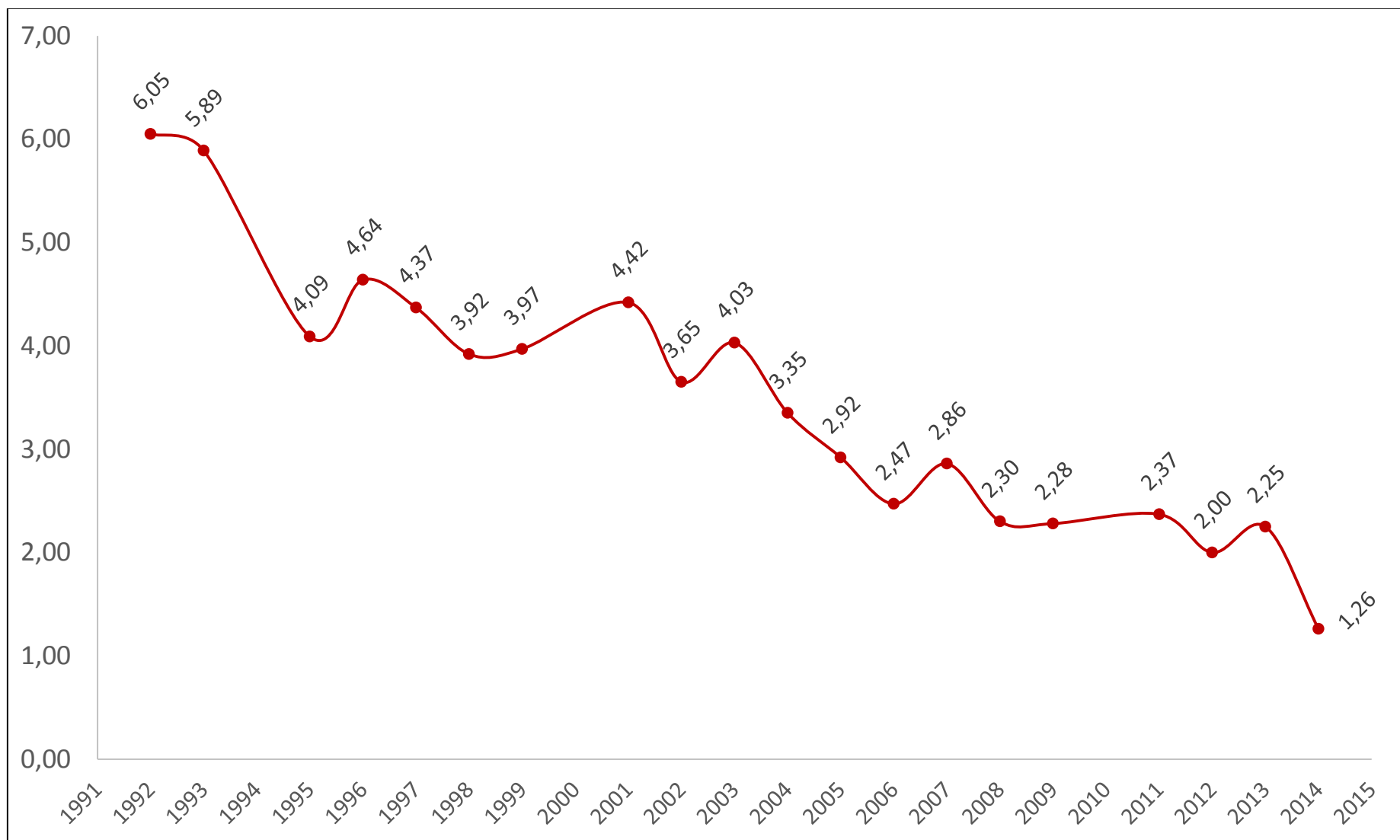
4. Evolution of the Contingent of People in various types of Multidimensional Poverty in selected years
 Brazil 1992 to 2014 (See ETECs 01 and 06 from 2015)



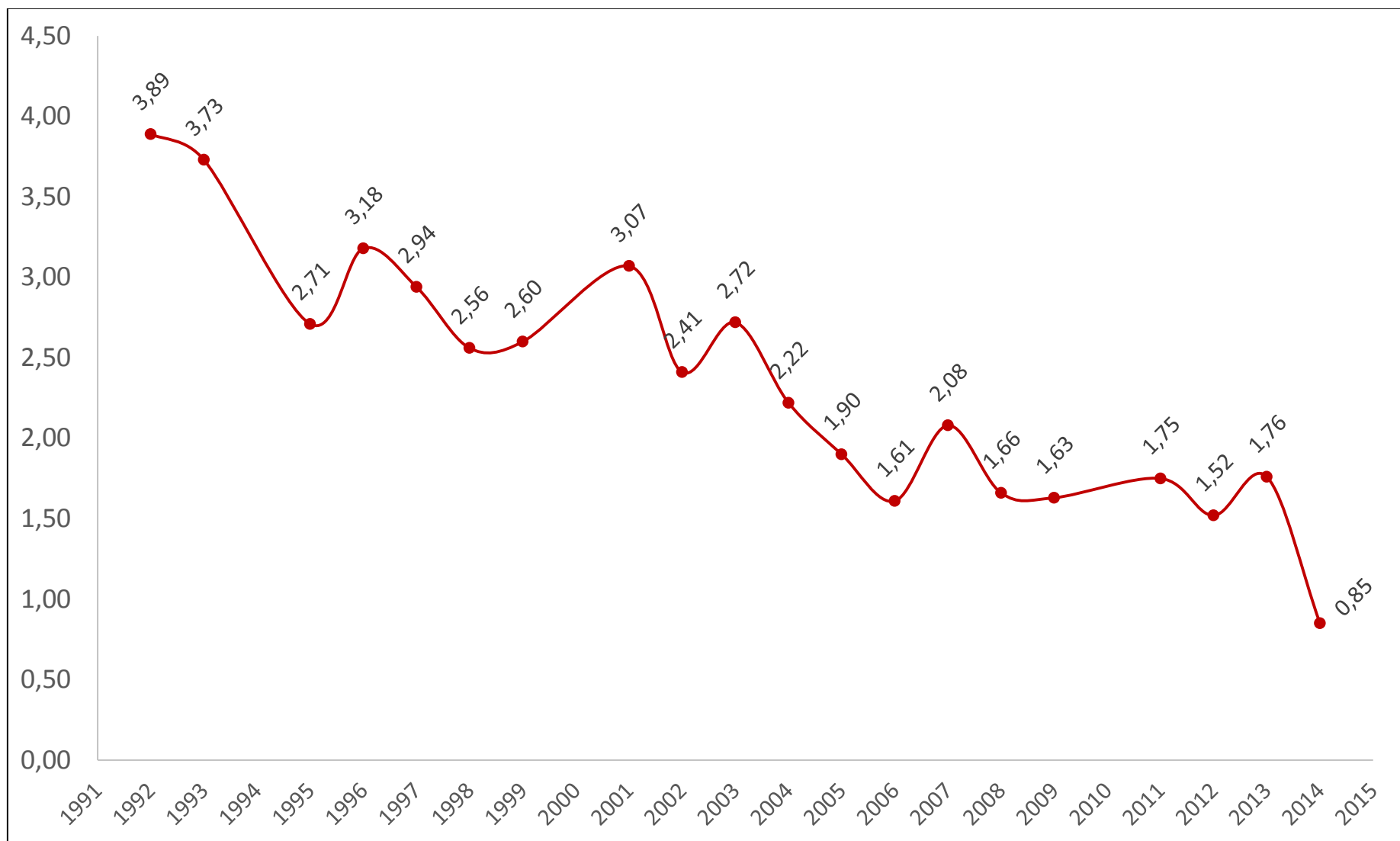
5. Evolution of Inequality of Household Income Per Capita by the Gini Index
Brazil 1992 to 2014



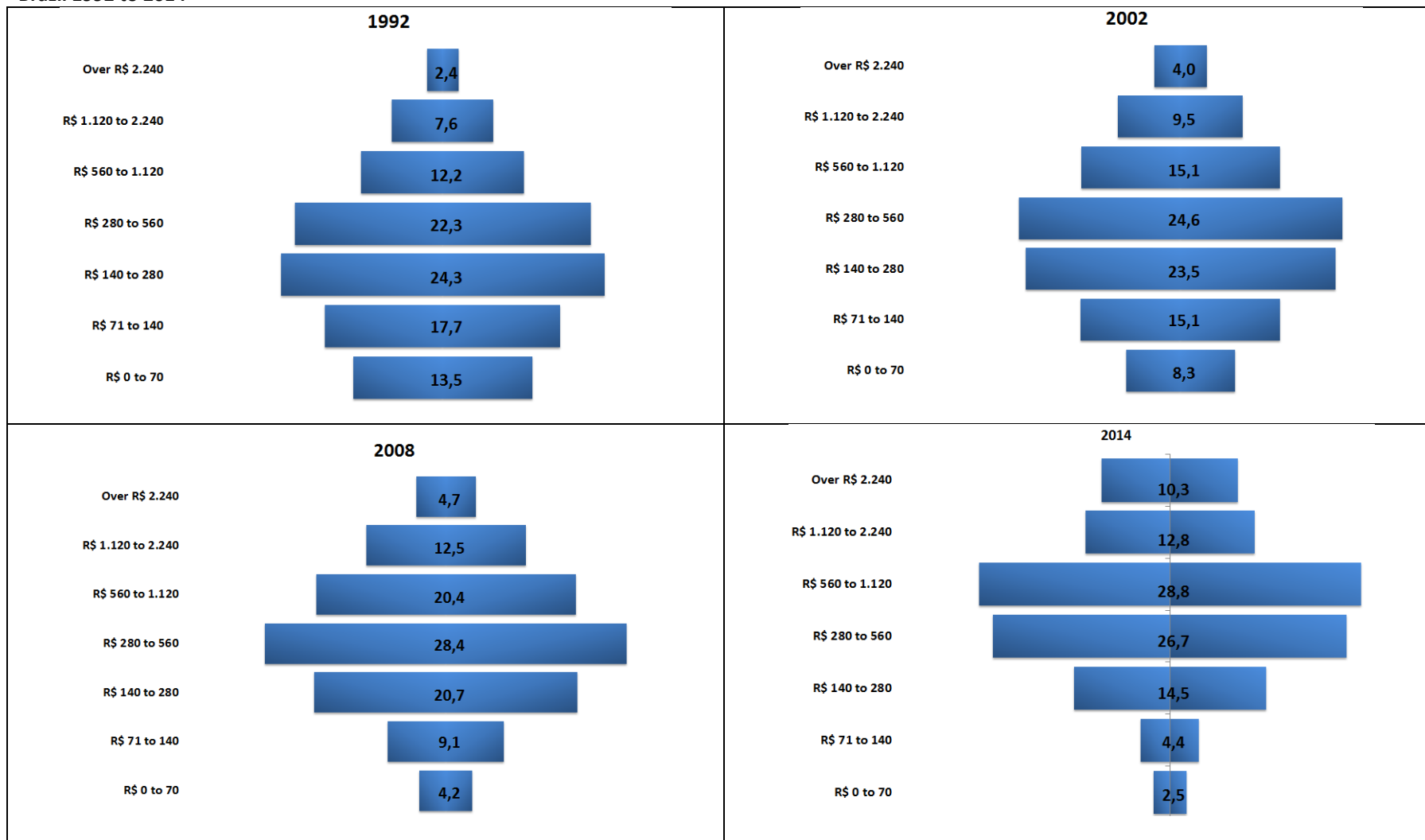
6. Evolution of the Extreme Poverty Hiatus (%)
Brazil 1992 to 2014



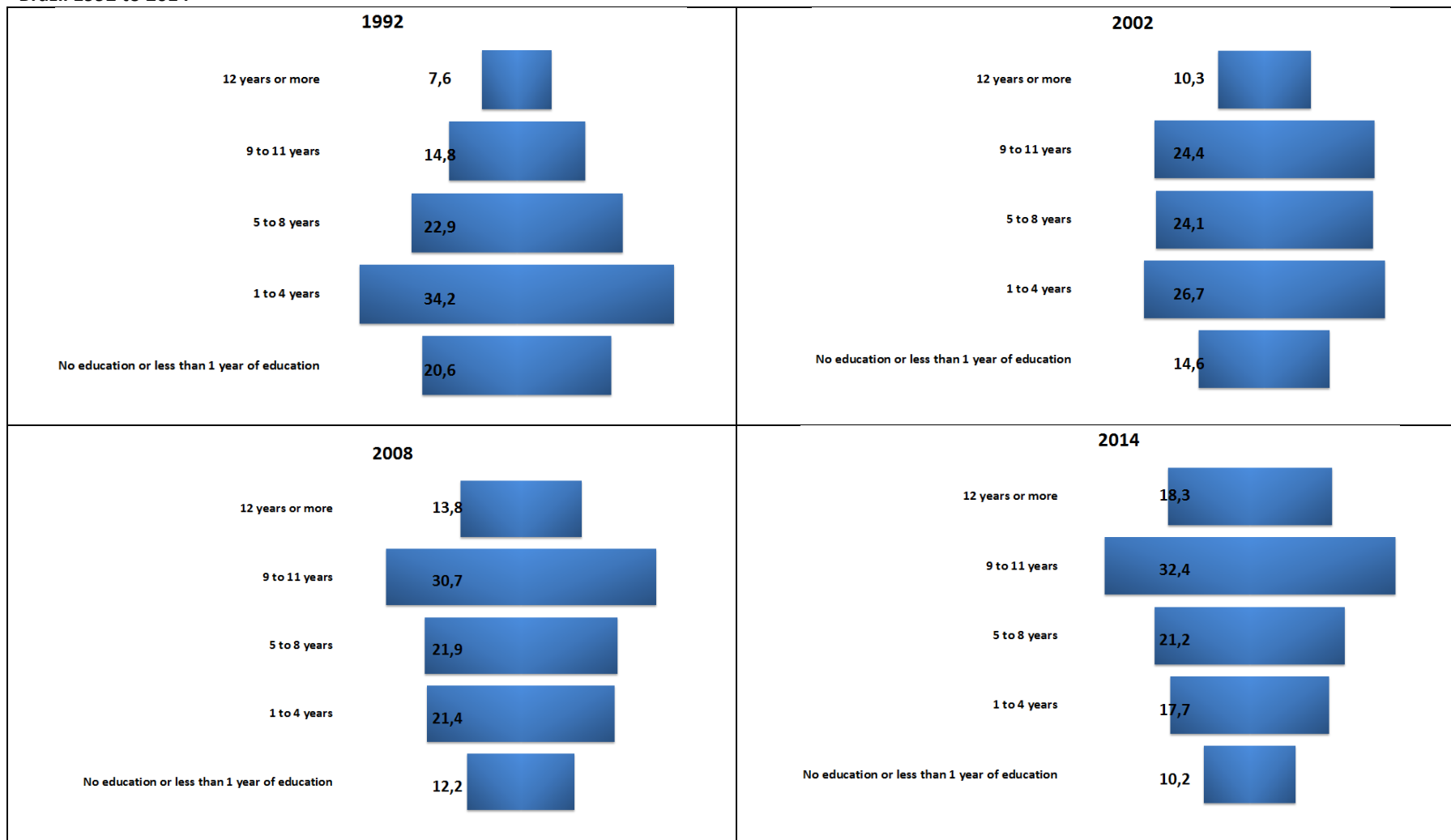
7. Evolution of the Severity of Extreme Poverty (%)
Brazil 1992 to 2014



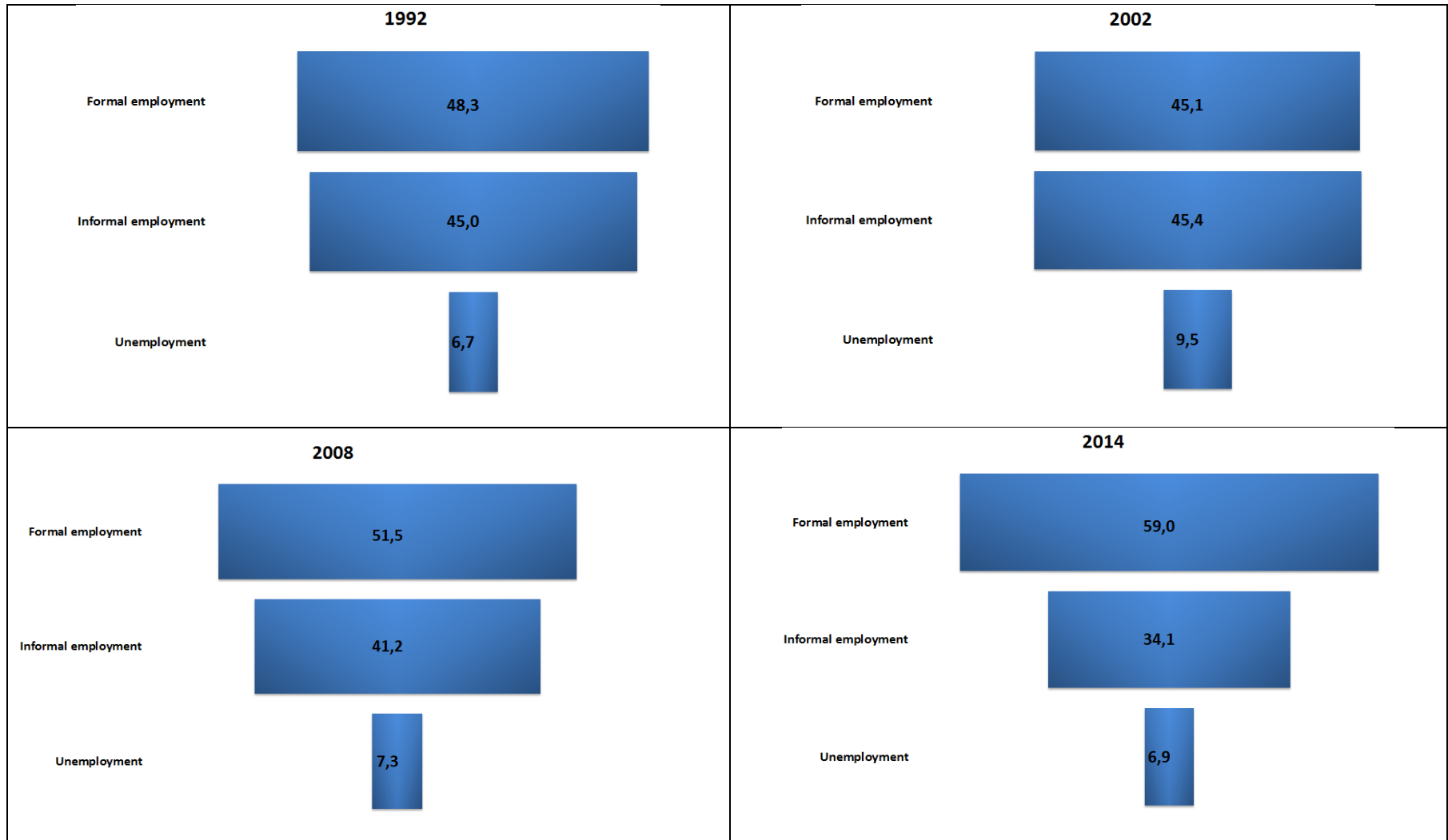
**8. Evolution of the Structure of the Population per Household Income Classes Per Capita (%) in selected years
Brazil 1992 to 2014**



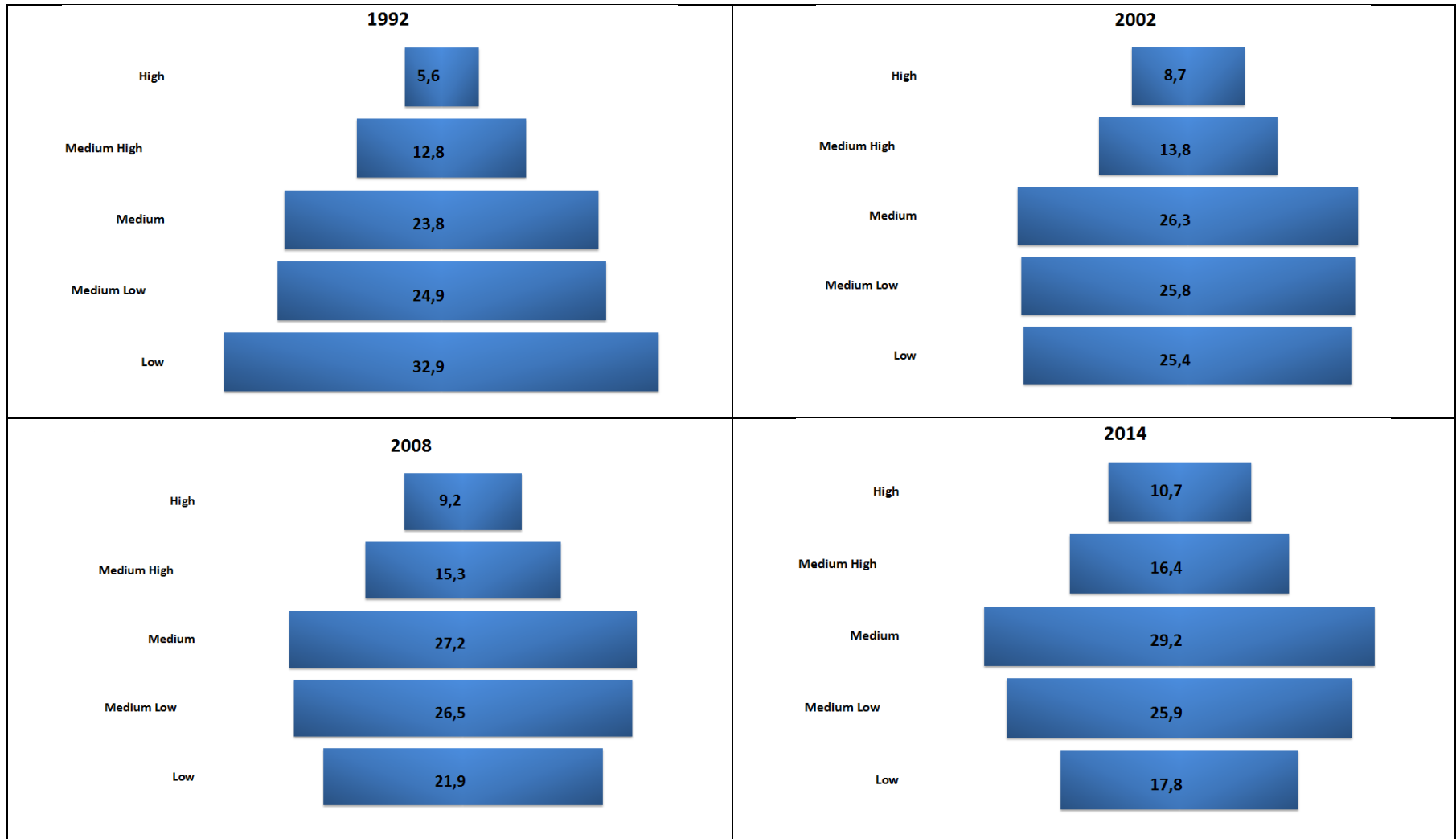
9. Evolution of the Structure of the Population aged 18 or more per Educational Class (%) in selected years
Brazil 1992 to 2014



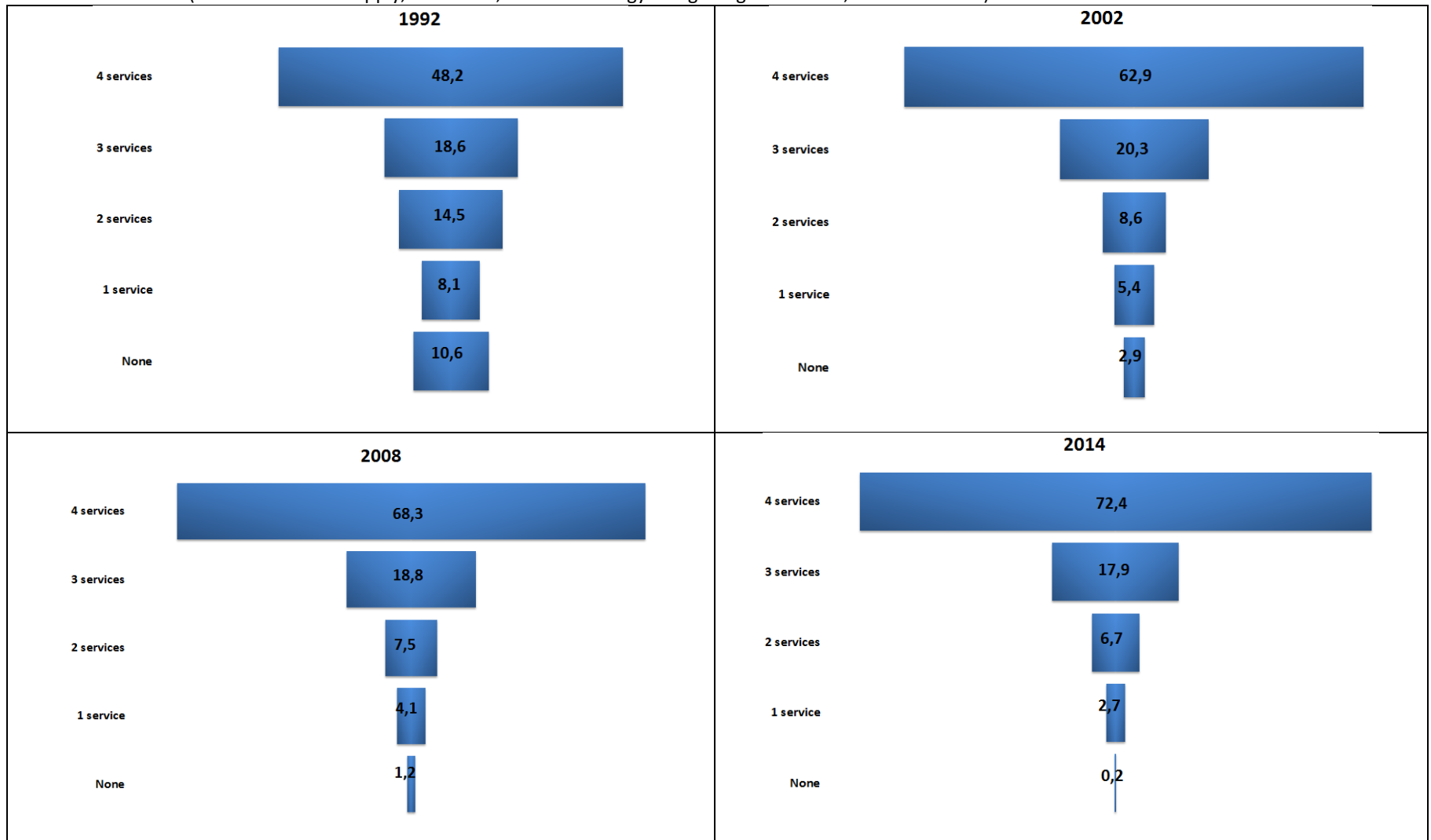
**10. Evolution of the Structure of the Economically Active Population aged 16 or over (%) in selected years
Brazil 1992 to 2014**



**11. Evolution of the Structure of the Employed Population aged 16 or over per Socio-occupational Strata (%) in selected years
Brazil 1992 to 2014**



12. Evolution of the Structure of Households per Access to Essential Services (%) in selected years
Brazil 1992 to 2014 (Services of water supply, sanitation, electrical energy and garbage collection, See Social Data)



**13. Evolution of the Structure of Households per Existence of Durable Goods (%) in selected years
Brazil 1992 to 2014 (Stove, refrigerator, washing machine, television, fixed telephone or cellphone)**

